



ARIZONA STATE SENATE
Fifty-Second Legislature, Second Regular Session

AMENDED
FACT SHEET FOR S.B. 1457

empowerment scholarships; persons with disabilities

Purpose

Establishes a process for students with a disability in the Empowerment Scholarship Account (ESA) program to continue to receive ESA monies after their 12th grade cohort year.

Background

The ESA program was established in 2011 to provide educational options for special needs students outside of the public school system. The program has since expanded to include: 1) students attending *D* and *F* schools or school districts; 2) foster care children; 3) children in military families; 4) siblings of current or previous ESA recipients; 5) School Tuition Organization (STO) recipients who are eligible for Arizona Scholarships for Pupils with Disabilities Program (ASPDP); and 6) students residing on an Indian Reservation. In order to be eligible for the ESA program, a child must meet any of the above requirements and must have either: 1) attended a public school as a full-time student for at least the first 100 days of the prior fiscal year; 2) previously participated in the ESA program; 3) received an STO scholarship due to being displaced or disabled and continues to attend a qualified school; 4) been eligible for an ASPDP scholarship under certain circumstances; or 5) not previously attended a governmental primary or secondary school and is currently eligible to enroll in a school district or charter school kindergarten program.

In order to participate in the ESA program, the parent of a qualified child must annually sign an agreement to follow the requirements outlined in statute. Parents must agree to use a portion of the ESA monies each quarter to provide an education to the student in at least reading, grammar, mathematics, social studies and science. Permitted expenses for ESA monies include tuition or fees, required textbooks, tutoring and curricula. Parents are required to submit a quarterly expense report to the Arizona Department of Education (ADE) detailing the expenditures (A.R.S. § 15-2402).

On entrance to the ESA program, students are moved in a cohort. Each school year, students are advanced with their cohort one grade until the 12th grade, at which point students are exited from the ESA program regardless of their age or achievement level.

There is a potential fiscal impact to the state General Fund as students with a disability who would otherwise be exited from the ESA program would continue to receive funding.

Provisions

1. Allows, beginning January 1, 2017, students with a disability in their final contract year to use ESA monies for costs associated with an Annual Education Plan (AEP) conducted by an independent evaluation team.
2. Requires ADE to prescribe the following:
 - a) the minimum qualifications for independent evaluation teams; and
 - b) the factors the teams must use to determine whether the student shall be eligible to continue to receive ESA monies through the school year in which the student reaches 22 years of age.
3. Directs independent evaluation teams to submit a written report that summarizes the results of the evaluation to the parent and ADE by July 31.
4. Specifies the written report is valid for one year.
5. Declares the student eligible to continue to receive ESA monies until 22 years of age, subject to annual review, if ADE determines the student meets the eligibility criteria prescribed in the AEP.
6. Allows parents to appeal ADE's determination.
7. Requires ADE to provide the following written information to the parent as an addendum to the student's contract in the second year prior to the student's final contract year:
 - a) that the student will not be eligible to continue to receive ESA monies unless the results of an AEP demonstrate the student meets eligibility criteria prescribed in the AEP;
 - b) that the parent is entitled to obtain an AEP to determine whether the students meets the eligibility criteria prescribed in the AEP; and
 - c) a list of independent evaluation teams that meet the minimum qualifications prescribed by ADE.
8. Establishes the Annual Education Plan Development Council (AEP Council) in ADE to develop eligibility criteria to determine if students with a disability are eligible to continue to receive ESA monies beyond 18 years of age.
9. Directs the AEP Council to do the following:
 - a) develop eligibility criteria in the form of an AEP;
 - b) develop a request for proposals approved by the State Board of Education and issued by ADE for independent evaluation teams to conduct AEPs;
 - c) review ADE's rules concerning AEPs; and
 - d) submit a report of its findings and recommendations to the Governor, President of the Senate, Speaker of the House of Representatives and Superintendent of Public Instruction by December 31, 2016.
10. Allows the AEP Council to make recommendations to ADE.

11. Directs ADE to select the members of the AEP Council and requires the membership to include practitioners in the field of special education and parents of current or previous ESA students with disabilities.
12. States members of the AEP Council are not eligible for compensation.
13. Specifies the AEP Council is subject to open meeting law.
14. Terminates the AEP Council on January 1, 2017.
15. Directs ADE, as session law, to determine if students with a disability who are exiting the ESA program may continue to receive ESA monies based on the student's likelihood to graduate high school or obtain a high school equivalency diploma until a determination is made pursuant to this act.
16. Repeals this session law on January 1, 2017.
17. Defines *annual education plan*.
18. Makes technical and conforming changes.
19. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

1. Allows students with a disability to continue to receive ESA monies as determined by ADE.
2. Requires ADE to provide notification in students' second year prior to the final contract year, instead of in the final contract year.
3. Subjects the requests for proposals to approval by the State Board of Education and eliminates a condition for sufficient monies.
4. Includes the Governor, the President of the Senate and the Speaker of the House of Representatives to the list of individuals who receive the AEP Council's report.
5. Specifies the AEP Council is subject to open meeting law.

Senate Action

APPROP	2/16/16	DP	7-0-1
ED	2/18/16	DP	7-0-0

Prepared by Senate Research
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